DATE:               May 7, 2018
COMMITTEE:          Budget/Finance Committee
LOCATION:          District Office – Board Room
TIME:              8:15 PM – 9:50 PM
CHAIRMAN:          Timothy W. Stayer

ASSIGNED MEMBERS: Glenn Martin and Chris Weber

BOARD MEMBERS IN ATTENDANCE: Judy Beiler, Philip Eby, Richard Gehman, Ted Kachel, Glenn Martin, Tim Stauffer, Tim Stayer, Chris Weber, David Wissler

OTHERS IN ATTENDANCE Brian Troop, Superintendent, Rick Hornberger and Jacy Hess, Assistant Superintendents; Kristee Reichard, Business Manager/Board Treasurer; Sarah McBee

ACTION ITEMS

Budget & Finance
I. Per Capita Tax Exonerations
After review and discussion, the Committee endorsed the Administrative recommendation to approve the following Per Capita Exonerations:

<table>
<thead>
<tr>
<th>Location</th>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Akron Borough</td>
<td>2017-18</td>
<td>$ 80.00</td>
</tr>
<tr>
<td>Clay Township</td>
<td>2017-18</td>
<td>$110.00</td>
</tr>
<tr>
<td>Ephrata Borough</td>
<td>2017-18</td>
<td>$250.00</td>
</tr>
<tr>
<td>Ephrata Township</td>
<td>2017-18</td>
<td>$100.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>$540.00</td>
</tr>
</tbody>
</table>

II. General Fund Budgetary Transfers
After review and discussion, the Committee endorsed the Administrative recommendation to approve the following 2017-2018 General Fund Budgetary transfers:

<table>
<thead>
<tr>
<th>Account</th>
<th>Description</th>
<th>Amount</th>
<th>Account</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>110640M</td>
<td>Books</td>
<td>$500.00</td>
<td>238550M</td>
<td>Printing</td>
<td>$500.00</td>
</tr>
<tr>
<td>238640M</td>
<td>EMS Media Center Books</td>
<td>$100.00</td>
<td>238550M</td>
<td>Printing</td>
<td>$100.00</td>
</tr>
<tr>
<td>238550I</td>
<td>Printing and Binding</td>
<td>$500.00</td>
<td>238530I</td>
<td>Postage</td>
<td>$500.00</td>
</tr>
<tr>
<td>110640I</td>
<td>Books</td>
<td>$3,500.00</td>
<td>111580I</td>
<td>Field Trip</td>
<td>$3,500.00</td>
</tr>
<tr>
<td>1164180H</td>
<td>Science Books</td>
<td>$1,801.40</td>
<td>1161180H</td>
<td>Science Supplies</td>
<td>$1,801.40</td>
</tr>
<tr>
<td>212610H</td>
<td>Supplies</td>
<td>$31.00</td>
<td>212640H</td>
<td>Books</td>
<td>$31.00</td>
</tr>
<tr>
<td>212610H</td>
<td>Supplies</td>
<td>$77.00</td>
<td>212519H</td>
<td>Field Trip</td>
<td>$77.00</td>
</tr>
<tr>
<td>1164170M</td>
<td>Math Books</td>
<td>$1,019.00</td>
<td>227580M</td>
<td>Staff Development</td>
<td>$1,019.00</td>
</tr>
<tr>
<td>1161180M</td>
<td>Science Supplies</td>
<td>$2,200.00</td>
<td>1175180M</td>
<td>Science Equipment</td>
<td>$2,200.00</td>
</tr>
<tr>
<td>226610A</td>
<td>Curriculum Supplies</td>
<td>$4,853.00</td>
<td>1164180H</td>
<td>HS Science Books</td>
<td>$4,853.00</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>$14,581.40</strong></td>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>$14,581.40</strong></td>
</tr>
</tbody>
</table>

III. Depositories of Funds
After review and discussion, the Committee endorsed the Administrative recommendation to approve the following financial organizations as depositories for school funds for the 2018-2019 fiscal year:

- Fulton Bank
- Wilmington Trust (Formerly M & T Bank)
- PNC Bank
- PSDLAF
IV. Agreement with Forecast5 Analytics, Inc.
After review and discussion, the Committee endorsed the Administrative recommendation to approve an agreement with Forecast 5 Analytics, Inc. for 2018-2019 in the amount of $8,600.00. Forecast 5 Analytics provides budget planning software to create budget projections and scenario comparisons to develop a budget.

V. Agreement with K-12 Systems
After review and discussion, the Committee endorsed the Administrative recommendation to approve an agreement with K-12 Systems for Sapphire subscription and support services at a cost of $73,161.00 for the 2018-2019 fiscal year.

VI. Agreement with Tyler Technologies – Versa Trans
After review and discussion, the Committee endorsed the Administrative recommendation to approve an agreement with Tyler Technologies for Versa Trans SIF subscription and extended support for the 2018-2019 fiscal year. These services are for transportation routing for District students. The costs for these support services are $5,583.39 for the subscription and $3,489.61 for the extended support.

VII. Agreement with Ecomm Networks
After review and discussion, the Committee endorsed the Administrative recommendation to approve an agreement with Ecomm Networks. This is a maintenance agreement for Mitel, SWA, excludes IP phones and UPS. The cost for the 2018-2019 fiscal year is $12,833.50.

VIII. Direct Tax Collector Appointment Resolution
After review and discussion, the Committee endorsed the Administrative recommendation to approve the following Direct Tax Collector Appointment Resolution

Direct Tax Collection
Tax Collector Appointment Resolution

Background. Those persons elected to the offices of tax collector within the school district have declined responsibility for collection of school district taxes or have deputized the school district to collect school district taxes. The school district must have a system for the collection of school taxes, and Holly Albert the Assistant Business Manager, is able to resume responsibility for the collection of school taxes as a part of her regular duties as assistant business manager. School Code § 6-683 authorizes the board of school directors to appoint a tax collector for the collection of school taxes where no elected tax collector is responsible for collecting school taxes. School Code § 6-684 authorizes the board to fix the amount of the bond of an appointed tax collector. The board believes the following action allows for efficient and cost-effective tax collection, and therefore, the following action is in the school district’s best interest.

RESOLVED, by the board of school directors, as follows:

1. The school district shall collect school taxes directly through the school district’s business office, and Holly Albert shall have responsibility for the collection of such taxes. This shall apply to the collection of all school taxes other than the earned income tax and the realty transfer tax.

2. All such school taxes collected shall be payable directly to the school district and shall be deposited directly in a school district bank account.

3. Holly Albert is appointed tax collector for the school district for a term of one year commencing July 1, 2018 and ending June 30, 2019, and until her successor is appointed and accepts.
4. The tax collector shall have all the authority and power now vested by law in collectors of local taxes for the collection of such taxes and shall comply with all laws, regulations and resolutions applicable to tax collectors in the school district.

5. Because all taxes collected will be deposited directly into a bank account maintained in the school district’s name, the tax collector will not receive or handle tax payments in the normal course of the tax collection procedures, and Holly Albert is serving as tax collector as part of her regular duties as assistant business manager, the school district has determined a bond of 500.00 to be appropriate for as tax collector.

6. In compliance with or in lieu of the requirements of the Local Tax Collection Law §§ 25 and 26, the following requirements will apply to the appointed tax collector:
   a. The tax collector will keep an ongoing account of all taxes collected to date, designating the amount of taxes paid by each taxpayer, discounts granted and penalties applied, and the date of payment.
   b. The tax collector will include as part of a monthly report to the school board of all taxes collected during the preceding month.
   c. The independent certified public accounting firm retained by the school district to audit the accounts of the school district will as a part of its annual audit, audit the tax collector’s final report, monthly reports, and other records, all in relation to the tax duplicate and according to generally accepted accounting principles and as determined appropriate by the independent certified public accounting firm.

IX. 2018 - 2019 General Fund Budget

A. The 2018-2019 General Fund Budget was presented to the board with detailed discussions on the various pieces of the budget; index revenues, expenditures, and fund balances. The Board looked at various scenarios from 2.9% to 0%. The presentation for the Board meeting will be done with a 2.9% tax increase.

B. After review and discussion, the Committee endorsed the Administrative recommendation to approve the attached resolution and advertisement notice authorizing Proposed Final Budget. The final General Fund Budget to be adopted June 18, 2018.

**Final Budget Notice and Per Capita Tax Notice**

**NOTICE** is given that the Proposed Final Budget for the General Fund of Ephrata Area School District for the 2018-2019 fiscal year in its most recent form is available for public inspection at the school district offices, 803 Oak Blvd, Ephrata, Pennsylvania, and will be presented for adoption as a Final Budget at a school board meeting to be held in the Board Room of the Ephrata Area School District, 803 Oak Blvd., Ephrata, Pennsylvania at 7:00 p.m. on June 18, 2018. The budget may be amended before or after final adoption.

**NOTICE** is also hereby given that persons eighteen (18) years of age or over who become residents or inhabitants of this school district and persons attaining the age of eighteen (18) years while a resident or inhabitant of this school district are required by law within twelve (12) months thereafter to notify Ephrata Area School District Business Manager, Ephrata, Pennsylvania 717-721-1513 of their having become residents or inhabitants or their attainment of age. This notice is given in connection with the per capita tax levied by Ephrata Area School District, and any person failing to comply with the requirements of this notice will be liable, in addition to the tax, for a penalty equal to the tax.

**Resolution Authorizing Proposed Final Budget**
**Display and Advertising [and Per Capita Tax Notice]**

**RESOLVED,** by the Board of School Directors of Ephrata Area School District, as follows:
1. The proposed Final Budget of the School District for the 2018-2019 fiscal year on form PDE 2028 as presented to the School Board shall be considered the proposed Final Budget of the School District for the 2018-2019 fiscal year and shall be made available for public inspection after this date.

2. At least ten (10) days before the date scheduled for adoption of the Final Budget, the Secretary shall advertise Final Budget Notice and Per Capita Tax Notice in substantially the form as presented to the School Board. The Notice shall be advertised once in a newspaper of general circulation and shall be posted conspicuously at the School District offices.

X. **Agreement with Showtix4U.com Ticketing Services**
   After review and discussion, the Committee endorsed the Administrative recommendation to approve an agreement with Showtix4u.com. Their services are an online ticketing platform for next year’s musical. The fees will be passed on to patrons. Attached is the fee schedule.

XI. **Change of Substitute Pay Rate**
   After review and discussion, the Committee endorsed the Administrative recommendation to approve an increase in Professional Substitute Teacher Pay Rates for 2018-2019 from $110.00 to $120.00 per diem.

XII. **2018-19 Dentist and Physician Rates**
   After review and discussion, the Committee endorsed the Administrative recommendation to approve: Dentist $2.00 per exam, Physician $75.00 per hour

XIII. **Food Service Lunch Prices**
   The United States Department of Agriculture issued a memo indicating that any School Food Authority with a positive or zero balance in its Nonprofit School Food Service Account as of January 31, 2018, is exempt from the Paid Lunch Equity requirements for 2018-2019.

   After review and discussion, the Committee endorsed the Administrative recommendation to approve to rescind the board action in April 2018 to increase school lunch prices for 2018-2019 by $0.10. The School Lunch Prices will be as follows for 2018-2019:

<table>
<thead>
<tr>
<th>School</th>
<th>Lunch</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elementary</td>
<td>$2.45</td>
</tr>
<tr>
<td>EIS/EMS</td>
<td>$2.65</td>
</tr>
<tr>
<td>HS</td>
<td>$3.00</td>
</tr>
</tbody>
</table>

XIV. **Wide Area Network and Internet Services Agreement (WAN)**
   After review and discussion, the Committee endorsed the Administrative recommendation to approve an agreement with Lancaster-Lebanon IU 13 for Wide Area Network and Internet Services, the cost for 2018-2019 will be $30,863.95 after E-Rate.

**Property**

I. **Agreement with Community Action Program**
   After review and discussion, the Committee endorsed the Administrative recommendation to approve an agreement with Community Action Program Headstart, Lancaster, PA, to rent one classroom and one office at Highland Elementary School and one classroom and one office at Clay Elementary School for their Headstart program for the period of July 1, 2018-June 30, 2019 as follows:

   A. Headstart shall pay a monthly rental fee of $1.00.

   B. Headstart shall pay a monthly utility fee of $835.00.
The Community Act Program agreed, if during the fiscal year they receive COLA increase in funds they will contact the District to renegotiate.

II. Agreement with RLPS Architects
After review and discussion, the Committee endorsed the Administrative recommendation to approve Professional Services Proposals with RLPS architects for the following:

A. Study additions to Ephrata Intermediate School and renovations to Ephrata High School at a cost not to exceed $5,000.00, plus reimbursable expenses
B. Renovations to Ephrata Middle School at a cost of 6.9% of general construction cost, plus reimbursable expenses. Additional services related to furniture selection/space planning and installation support for a lump sum fee of $9,000.00

INFORMATION / DISCUSSION ITEMS

Budget & Finance
I. Moody’s Investors Service Report
The Moody’s credit overview for the Ephrata Area School District states that EASD has a strong credit position, and its Aa3 is equivalent to the median rating of Aa3 for school districts nationwide. The key credit factors include a robust financial position, light debt burden and mid ranged pension liability. The credit position also reflects a healthy wealth and income profile and a sizable tax base.

II. Walmart Agreement
The Committee was informed there will be no agreement for 2018-2019, the Assessment Commission will not approve due to the late filing by Walmart.

III. Charter School Rates
The Committee was informed due to new changes Charter School rates have increased $1,060.46 for regular education and $3,743.05 for special education.

IV. Acknowledge Donations
The Committee acknowledge the generous donation from Leo Design Gallery, Wernersville, PA, donated decorations for the prom, valued at $2,745.00.

Property
I. Project Updates

A. Signage at District Schools
The signs have been laid out at each building; footings will be installed beginning this week.

B. High School Media Center
The walls at the Media Center are being constructed and HVAC updated. No contingency left.

C. Middle School Door Replacement – 90% complete – Punchlist
All parts needed to complete the Middle School Door project will be received on Tuesday, May 8.